CLAIMS

What is claimed is:

1. A method for raising capital comprising the steps of:

generating a first agreement between a first company and a second company, the first agreement granting the first company an option to obligate the second company to sell a predetermined volume of equity in the first company according to a predefined price structure, during a predefined time period; and

generating a second agreement between the first company and a third company, wherein, under the second agreement the third company is obligated to remedy a predefined failure of the second company to fulfill its obligations under the first agreement.

- 2. The method according to claim 1, wherein the first and second agreements take effect substantially simultaneously.
- 3. The method according to claim 1 wherein, when the predefined failure of the second company is a failure of the second company to sell the predetermined volume of equity in the first company during the predefined time period.
- 4. The method according to claim 3, wherein the third company is obligated by the second agreement to remedy the predefined failure of the second company by purchasing an amount of equity in the first company equal to a difference between a volume of equity in the first company sold by the second company under the first agreement and the predetermined volume of equity.

- 5. The method according to claim 4, wherein a price at which the third company is obligated to purchase the amount of equity in the first company equal to the difference between the volume of equity in the first company sold by the second company under the first agreement and the predetermined volume of equity is determined based on the second agreement.
- 6. A method by which an Issuer of equity may raise capital by selling the equity, comprising the steps of:

filing by the Issuer a registration with a government agency for the sale of equity in the Issuer;

generating an Underwriting Agreement between the Company and an Underwriter, the Underwriting Agreement setting forth terms and conditions under which the Underwriter will sell the Issuer's equity;

generating a Standby Agreement between the Issuer and a Capital Company obligating the Capital Company to remedy a predefined failure of the Underwriter under the Underwriting Agreement;

forwarding from the Issuer to the Underwriter a Capital Demand Notice setting forth terms for a particular sale of the Issuer's equity;

indicating by the Underwriter one of an acceptance and a rejection of the Capital Demand Notice based on a review of information regarding the Issuer and the Capital Demand Notice; and

obtaining from the Capital Company a remedy, upon the occurrence of the predefined failure of the Underwriter under the Underwriting Agreement.

- 7. The method according to claim 6, wherein the criteria on which the Underwriter may indicate the one of acceptance and rejection of a Capital Demand Notice are set forth in the Underwriting Agreement.
- 8. The method according to claim 6, wherein the predefined failure of the Underwriter is a failure to sell a volume of equity set forth in an accepted Capital Demand Notice.
- 9. The method according to claim 8, wherein the Standby Agreement obligates the Capital Company to remedy the predefined failure of the Underwriter by purchasing an amount of equity in the Issuer equal to a difference between a volume of equity actually sold by the Underwriter in accord with the accepted Capital Demand Notice and the volume of equity set forth in the accepted Capital Demand Notice.
- 10. The method according to claim 9, wherein a price at which the Capital Company is obligated to purchase the volume of equity in the Issuer equal to the difference between the volume of equity actually sold by the Underwriter in accord with the accepted Capital Demand Notice and the volume of equity set forth in the accepted Capital Demand Notice is determined based on the Standby Agreement.
- 11. The method according to claim 6, wherein the Underwriting Agreement sets forth a Blocking Event, wherein, upon occurrence of the Blocking Event, the obligations of the

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Underwriter are one of completely and partially discharged.

- 12. The method according to claim 6, wherein the Underwriting Agreement sets forth terms and conditions under which the Underwriter may purchase an additional volume of equity above that set forth in an accepted Capital Demand Notice.
- 13. The method according to claim 11, wherein the Blocking Event corresponds to a predetermined change in a market price of the Issuer's equity.
- 14. The method according to claim 11, wherein the Blocking Event corresponds to a predetermined change in a market index value.
- 15. The method according to claim 6, wherein, up to acceptance of a Capital Demand Notice, the Issuer maintains control of the terms and conditions of sales of equity under the Underwriting Agreement.